

2013 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	CBO Analyst/Phone:
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Legislation Title:

AN ORDINANCE relating to taxicabs and for-hire vehicles; increasing the taxicab and for hire regulatory license fees, inspection fees, and miscellaneous fees; increasing monetary penalties for all code violations; eliminating uniform requirements; and amending Sections 6.310.150, 6.310.200, 6.310.465, and 6.310.605 of the Seattle Municipal Code in connection thereto.

Summary of the Legislation:

This legislation increases taxicab and for hire fees and monetary penalties to provide improved street enforcement in order to reduce illegal activity, and removes an unnecessary mandate in the SMC relating to a dress code for taxi drivers.

Background: A dramatic increase in for-hire vehicle licenses in 2012 resulted in the City issuing its maximum limit of 200 for-hire vehicle licenses. Over the course of the year, we have seen a dramatic increase in unlawful soliciting by Seattle-licensed for-hire vehicles, particularly in the downtown core, and continue to experience the chronic problem of unlicensed taxicabs and for-hire vehicles operating within Seattle's city limits. This legislation amends Seattle Municipal Code Chapter 6.310 to increase license, inspection, miscellaneous fees and monetary penalties. In addition to providing other additional resources that are critical to the effective regulation of the taxicab and for-hire vehicle industries, additional revenue realized from the passage of this legislation will support the continued employment of two emergency regulatory enforcement staff who were hired in the fourth quarter of 2012 to address ongoing chronic illegal activities that have become a matter of public safety. Taxicab and for hire license fees were last increased in September 2008 via Ordinance 122763. In addition to the financial proposals, this legislation removes an unnecessary mandate in the Seattle Municipal Code requiring taxicab drivers to adhere to a dress code.

Please check one of the following:

☐ **This legislation does not have any financial implications.**

☒ **This legislation has financial implications**

Summary of Changes to Revenue Generated Specifically from this Legislation:

	Revenue Source	2013 Proposed	2014 Endorsed
	Taxi and For-hire License Fees	\$203,000	\$203,000
	Late Penalty for Taxi License	\$880	\$880
	Taxi Association License Fee	\$3,000	\$3,000
	Late Penalty for Taxi Association License	\$50	\$50
	For-hire Vehicle License Change of Association	\$1,500	\$1,500
	For-hire Driver's License	\$220,000	\$220,000
	Class A Penalty	\$2,190	\$2,190
	Class B Penalty	\$4,560	\$4,560
	Reschedule Inspection	\$325	\$325
	Change of Vehicle	\$30,300	\$30,300
Total Fees and Charges Resulting From Passage of This Ordinance		\$465,805	\$465,805

Revenue Change Notes:

- Taxi and for-hire license fee increase from \$600 to \$800 annually and from \$300 to \$400 for a partial year. Fees were last increased in September 2008. Comparable fees for King County are \$450 for licenses and \$300 for a partial year. The effect on the average customer is that the increase in the license fee will be spread across all the driver's fares.
- Late penalty for taxi license increases from \$60 to \$80. Fees were last increased in September 2008.
- Taxi Association license fee increases from \$1,000 to \$1,500. Fees were last increased in September 2008.
- Late penalty for Taxi Association license increases from \$100 to \$150. The penalty was last increased in September 2008.
- For-hire driver's license increases from \$50 to \$150. The fee was last revised in January 2011, when it was lowered from \$75 to \$50, and applied to drivers who are licensed in both the City and the County.
- Class A penalties increase by 25%-43% with the fine beginning at \$50 for the first infraction and topping out at \$150 for the 3rd infraction. Fines were last increased in September 2008.
- Class B penalties increase by 43%-67% with the fine beginning at \$100 for the first infraction and topping out at \$500 for the 3rd infraction. Fines were last increased in September 2008.
- Reschedule inspection fee increases from \$25 to \$50
- Change of vehicle fee increases from \$100 to \$200. Fees were last increased in September 2008. The comparable King County fee is \$75.

Anticipated Total Revenue from Entire Program, Including Changes Resulting from this Legislation:

Fund Name and Number	Revenue Source	Total 2013 Revenue	Total 2014 Revenue
Finance and Administrative Services Fund (50300)	Taxi and For-hire Vehicle Licenses	\$742,600	\$742,600
	For-hire Drivers License	\$330,000	\$330,000
	Taxi and For-hire Fines	\$39,840	\$39,840
	Taxi and For-hire Fees	\$91,325	\$91,325
	Scanning System Licenses	\$237,413	\$237,413
	Limo Program (Inspection fees and reimbursement from State for regulatory costs)	\$160,000	\$160,000
	Training Charges	\$25,000	\$25,000
TOTAL		\$1,626,178	\$1,626,178

Total Revenue Notes:

Other Implications:

- a) Does the legislation have indirect financial implications, or long-term implications?
No
- b) What is the financial cost of not implementing this legislation?
If this legislation is not implemented, the City will not have the ability to address many illegal activities involving the taxi and for-hire vehicle industry.
- c) Does this legislation affect any departments besides the originating department? No
- d) What are the possible alternatives to the legislation that could achieve the same or similar objectives? The primary objective of this legislation is to improve enforcement of the regulation of taxicabs and for-hire vehicles. If fees and fines are not increased, the General Fund could support enforcement and regulatory activities, but then the cost would be borne by the general public rather than users of the service.
- e) Is the legislation subject to public hearing requirements? No
- f) Other Issues: